

## APPENDIX

**REGULATION OF SHAREHOLDER DERIVATIVE ACTIONS BY STATE  
STATUTES OR RULES OF COURT**

Requirement That Complainant in Derivative Action Allege That Plaintiff Was Shareholder at Time of Alleged Wrongdoing	Requirement That Complainant in Derivative Action Be Verified	Requirement That Complainant in Derivative Action Describe Effects by Plaintiff To Secure Action by Directors or Shareholders	Provisions for Security of Expenses in Derivative Actions	Requirement That All Settlements of Derivative Actions Be Approved by the Court
—	—	—	—	Alabama Equity Rule 31(b) Rule 23(c), Rules of Civil Procedure Rule 23(c), Rules of Civil Procedure —
Alaska Rule 23(b), Rules of Civil Procedure	Rule 23(b), Rules of Civil Procedure	Rule 23(b), Rules of Civil Procedure Rule 23(b), Rules of Civil Procedure	Rule 23(b), Rules of Civil Procedure Rule 23(b), Rules of Civil Procedure	—
Arizona Rule 23 (b), Rules of Civil Procedure	—	—	—	—
Arkansas —	—	—	—	—
California Colorado —	—	Calif. Corp. Code §834 Colo. Rev. Stat. §31-30-21 Rule 23(b), Rules of Civil Procedure	Calif. Corp. Code §834 Rule 23(b), Rules of Civil Procedure Rule 23(b), Rules of Civil Procedure	Calif. Corp. Code §834 Colo. Rev. Stat. §31-30-21 —
Connecticut Delaware —	—	—	—	—
Florida —	—	Del. Code Ann. Tit. 8 §327; Chancery Rule 23(b)	Chancery Rule 23(b)	Chancery Rule 23(c)
Georgia —	—	Florida Stat. Ann. §608.131 —	Florida Stat. Ann. §608.131 —	Florida Stat. Ann. §608.131 —
Hawaii —	—	—	—	—
Idaho Rule 23 (b), Rules of Civil Procedure —	—	Rule 23(b), Rules of Civil Procedure III. Rev. Stat. ch. 32 §157.45a	Rule 23(b) Rules of Civil Procedure —	Rule 23(c), Rules of Civil Procedure III. Rev. Stat. ch. 110, §52.1 Burns. Am. Ind. Stat. §32-220
Illinois —	—	—	—	—
Indiana —	—	—	—	—

	<b>Requirement That Complainant Is Derivative Action Alleges That Plaintiff Was Shareholder at Time of Alleged Wrongdoing</b>	<b>Requirement That Complainant Is Derivative Action Plaintiff Describes Efforts To Secure Action by Directors or Shareholders</b>	<b>Requirement That Complainant Is Derivative Action Plaintiff Was Shareholder at Time of Alleged Wrongdoing</b>
<b>Iowa</b>	Rule 44, Rules of Civil Procedure	Iowa Code Ann. §496A.43	Rule 44, Rules of Civil Procedure
<b>Kansas</b>	—	Kan. Stat. Ann. §60-223(b)	Kan. Stat. Ann. §60-223(c)
<b>Kentucky</b>	—	Ky. Rev. Stat. §271.605	Ky. Rev. Stat. §271.605
<b>Louisiana</b>	La. Code of Civil Procedure, Art. 596	La. Code of Civil Procedure, Art. 596	La. Code of Civil Procedure, Art. 596
<b>Maine</b>	Rule 23(b), Rules of Civil Procedure	—	Rule 23(b), Rules of Civil Procedure
<b>Maryland</b>	—	—	Md. Rules of Procedure, Rule 328(d)
<b>Massachusetts</b>	—	Ann. Laws of Mass. ch. 156B, §46	—
<b>Michigan</b>	General Court Rule 208.2	—	General Court Rule 208.2
<b>Minnesota</b>	—	—	Rule 23.02, Rules of Civil Procedure
<b>Mississippi</b>	—	Miss. Code Ann. §5309-93	—
<b>Missouri</b>	—	Vernon's Ann. Mo. Stat. §507.070;	Vernon's Ann. Mo. Stat. §507.070;
<b>Montana</b>	—	Rule 52.08(b), Rules of Civil Procedure	Rule 52.08(c), Rules of Civil Procedure
		Rule 23(b), Rules of Civil Procedure	Rule 23(c), Rules of Civil Procedure

Requirement That Complaint in Derivative Action Be Verified		Requirement That Plaintiff in Derivative Action Be Searched Efforts by Plaintiff To Secure Action by Directors or Shareholders		Provisions for Security of Expenses in Derivative Actions	
Nebraska	—	Rev. Stat. of Neb. §21-2047	—	Rev. Stat. of Neb. §21-2047	—
Nevada	Rule 23(b), Rules of Civil Procedure; Chapter 504 (53rd Sess. 1965)	Rule 23(b), Rules of Civil Procedure; Chapter 504 (53rd Sess. 1965)	Rule 23(b), Rules of Civil Procedure; Chapter 504 (53rd Sess. 1965)	Chapter 504 (53rd Sess. 1965)	Rule 23(c), Rules of Civil Procedure
New Hampshire	—	—	—	—	—
New Jersey	Civil Practice Rule 4:36—2	Civil Practice Rule 4:36—2; N.J. Stat. Ann. Tit. 14, §3-16	Civil Practice Rule 4:36—2	N.J. Stat. Ann. Tit. 14, §3-15	Civil Practice Rule 4:36—3
New Mexico	Rule 23(b), Rules of Civil Procedure	Rule 23(b), Rules of Civil Procedure	Rule 23(b), Rules of Civil Procedure	—	Rule 23(c), Rules of Civil Procedure
New York	—	Bus. Corp. Law §626	Bus. Corp. Law §626	Bus. Corp. Law §627	Bus. Corp. Law §626
North Carolina	—	—	—	—	—
North Dakota	—	N.D. Cent. Code §10-19-48	Rule 23(b), Rules of Civil Procedure	N.D. Cent. Code §10-19-48	Rule 23(c), Rules of Civil Procedure
Ohio	—	Page's Ohio Rev. Code Ann., Tit. 23, §2307.311	Page's Ohio Rev. Code Ann., Tit. 23, §2307.311	—	—
Oklahoma	—	—	—	—	—
Oregon	—	—	—	—	—
Pennsylvania	—	Purdon Penna. Stat. Ann. Tit. 15, §2852.516	—	Purdon Penna. Stat. Ann. Tit. 15, §2852.516	Rule 2230(b), Rules of Civil Procedure

<u>Requirement That Plaintiff in Derivative Action Alleged That Plaintiff Was Shareholder at Time of Alleged Wrongdoing</u>	<u>Requirement That Plaintiff in Derivative Action Be Verified</u>	<u>Requirement That Plaintiff in Derivative Action Deserve Effects by Plaintiff To Secure Action by Directors or Shareholders</u>	<u>Provisions for Security Expenses in Derivative Actions</u>	<u>Requirement That All Settlements of Derivative Actions Be Approved by the Court</u>
Rhode Island	—	—	—	—
South Carolina	—	—	—	—
South Dakota	—	—	—	—
Tennessee	—	—	—	—
Texas	—	—	Business Corp. Act. Art. 5.14	Rule 42(b), Rules of Civil Procedure
Utah	—	—	Rule 23(b) Rules of Civil Procedure	Rule 23(c), Rules of Civil Procedure
Vermont	—	—	—	—
Virginia	—	—	—	—
Washington	Wash. Court Rule 23(b)	Wash. Court Rule 23(b)	Wash. Court Rule 23(b)	Wash. Court Rule 23(c)
West Virginia	Rule 23(b), Rules of Civil Procedure	—	Rule 23(b), Rules of Civil Procedure	Rule 23(c), Rules of Civil Procedure
Wisconsin	—	West's Wisc. Stat. Ann. Tit. 17, §180.405	West's Wisc. Stat. Ann. Tit. 17, §180.405	West's Wisc. Stat. Ann. Tit. 17, §180.405
Wyoming	Rule 23(b), Rules of Civil Procedure	—	Rule, 23(b), Rules of Civil Procedure	Rule 23(c), Rules of Civil Procedure

This Appendix lists only regulations which are imposed by statute or rule of court and which apply specifically to derivative actions alone or, in the case of the requirement of court approval for settlements, to derivative actions and to other class actions. No attempt has been made to include regulations imposed by case law or regulations applicable to all civil actions. For example, an Arkansas statute requiring verification of all civil actions has been excluded from the Appendix.